

# Senate File 395 - Introduced

SENATE FILE 395  
BY COMMITTEE ON HUMAN  
RESOURCES

(SUCCESSOR TO SSB 1227)

(COMPANION TO LSB 1151HV BY  
COMMITTEE ON HUMAN RESOURCES)

## A BILL FOR

1 An Act relating to child, adult, and family services under  
2 the purview of the department of human services, making  
3 penalties applicable, and including effective date  
4 provisions.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 225C.38, subsection 1, paragraph c, Code  
2 2013, is amended to read as follows:

3 c. Except as provided in section 225C.41, a family support  
4 subsidy for a fiscal year shall be in an amount determined by  
5 the department ~~in consultation with the comprehensive family~~  
6 ~~support council created in section 225C.48.~~ The parent or  
7 legal guardian receiving a family support subsidy may elect  
8 to receive a payment amount which is less than the amount  
9 determined in accordance with this paragraph.

10 Sec. 2. Section 225C.42, subsection 1, Code 2013, is amended  
11 to read as follows:

12 1. The department shall conduct an annual evaluation of  
13 the family support subsidy program ~~in conjunction with the~~  
14 ~~comprehensive family support council~~ and shall submit the  
15 evaluation report with recommendations to the governor and  
16 general assembly. The report shall be submitted on or before  
17 October 30 and provide an evaluation of the latest completed  
18 fiscal year.

19 Sec. 3. Section 225C.47, subsection 5, unnumbered paragraph  
20 1, Code 2013, is amended to read as follows:

21 The department shall design the program ~~in consultation with~~  
22 ~~the comprehensive family support council created in section~~  
23 ~~225C.48.~~ The department shall adopt rules to implement the  
24 program which provide for all of the following:

25 Sec. 4. Section 225C.49, subsection 4, Code 2013, is amended  
26 to read as follows:

27 4. The department shall designate one individual whose sole  
28 duties are to provide central coordination of the programs  
29 under sections 225C.36 and 225C.47 and ~~to work with the~~  
30 ~~comprehensive family support council~~ to oversee development and  
31 implementation of the programs.

32 Sec. 5. Section 239B.5, Code 2013, is amended by adding the  
33 following new subsection:

34 NEW SUBSECTION. 4. a. The department shall implement  
35 policies and procedures as necessary to comply with provisions

1 of the federal Middle Class Tax Relief and Job Creation Act  
 2 of 2012, Pub. L. No. 112-96, to prevent assistance provided  
 3 under this chapter from being used in any electronic benefit  
 4 transfer transaction in any liquor store; any casino, gambling  
 5 casino, or gaming establishment; or any retail establishment  
 6 which provides adult-oriented entertainment in which performers  
 7 disrobe or perform in an unclothed state for entertainment.  
 8 For purposes of this paragraph, the definitions found in the  
 9 federal Middle Class Tax Relief and Job Creation Act and  
 10 related rules and statutes apply.

11 *b.* Unless otherwise precluded by federal law or regulation,  
 12 policies and procedures implemented under this subsection shall  
 13 at a minimum impose the prohibition described in paragraph "a"  
 14 as a condition for continued eligibility for assistance under  
 15 this chapter.

16 *c.* The department may implement additional measures as may  
 17 be necessary to comply with federal regulations in implementing  
 18 paragraph "a".

19 *d.* The department shall adopt rules as necessary to  
 20 implement this subsection.

21 Sec. 6. Section 239B.14, subsection 1, Code 2013, is amended  
 22 to read as follows:

23 1. *a.* An individual who obtains, or attempts to obtain,  
 24 or aids or abets an individual to obtain, by means of a  
 25 willfully false statement or representation, by knowingly  
 26 failing to disclose a material fact, or by impersonation, or  
 27 any fraudulent device, any assistance or other benefits under  
 28 this chapter to which the individual is not entitled, commits  
 29 a fraudulent practice.

30 *b.* An individual who accesses benefits provided under  
 31 this chapter in violation of any prohibition imposed by the  
 32 department pursuant to section 239B.5, subsection 4, commits  
 33 a fraudulent practice.

34 Sec. 7. Section 249A.3, subsection 1, Code 2013, is amended  
 35 by adding the following new paragraph:

1     NEW PARAGRAPH.   v.   Beginning January 1, 2014, is an  
2 individual who meets all of the following requirements:

3       (1)   Is under twenty-six years of age.

4       (2)   Was in foster care under the responsibility of the state  
5 on the date of attaining eighteen years of age or such higher  
6 age to which foster care is provided.

7       (3)   Was enrolled in the medical assistance program under  
8 this chapter while in such foster care.

9       Sec. 8.   Section 249A.3, subsection 2, paragraph a,  
10 subparagraph (9), Code 2013, is amended by striking the  
11 subparagraph.

12       Sec. 9.   Section 249J.26, subsection 2, Code 2013, is amended  
13 to read as follows:

14       2.   This chapter is repealed ~~October~~ December 31, 2013.

15       Sec. 10.   Section 514I.4, subsection 5, paragraph a, Code  
16 2013, is amended by striking the paragraph.

17       Sec. 11.   Section 514I.5, subsection 7, paragraph f, Code  
18 2013, is amended to read as follows:

19       f.   Review, in consultation with the department, and take  
20 necessary steps to improve interaction between the program and  
21 other public and private programs which provide services to the  
22 population of eligible children. ~~The board, in consultation~~  
23 ~~with the department, shall also develop and implement a plan~~  
24 ~~to improve the medical assistance program in coordination with~~  
25 ~~the hawk-i program, including but not limited to a provision to~~  
26 ~~coordinate eligibility between the medical assistance program~~  
27 ~~and the hawk-i program, and to provide for common processes~~  
28 ~~and procedures under both programs to reduce duplication and~~  
29 ~~bureaucracy.~~

30       Sec. 12.   Section 514I.5, subsection 8, paragraphs b and f,  
31 Code 2013, are amended by striking the paragraphs.

32       Sec. 13.   Section 514I.7, subsection 2, paragraphs a and g,  
33 Code 2013, are amended to read as follows:

34       a.   Determine ~~individual~~ eligibility for program enrollment  
35 ~~based upon review of completed applications and supporting~~

1 ~~documentation~~ as prescribed by federal law and regulation,  
 2 using policies and procedures adopted by rule of the department  
 3 pursuant to chapter 17A. The administrative contractor shall  
 4 not enroll a child who has group health coverage, unless  
 5 expressly authorized by such rules.

6 ~~g. Create and Utilize the department's eligibility system~~  
 7 ~~to maintain eligibility files that are compatible with the~~  
 8 ~~data system of the department~~ with pertinent eligibility  
 9 determination and ongoing enrollment information including, but  
 10 not limited to, data regarding beneficiaries, enrollment dates,  
 11 disenrollments, and annual financial redeterminations.

12 Sec. 14. Section 514I.7, subsection 2, paragraphs c, d, e,  
 13 f, and k, Code 2013, are amended by striking the paragraphs.

14 Sec. 15. Section 514I.8, subsection 1, Code 2013, is amended  
 15 to read as follows:

16 1. a. Effective July 1, 1998, and notwithstanding any  
 17 medical assistance program eligibility criteria to the  
 18 contrary, medical assistance shall be provided to, or on behalf  
 19 of, an eligible child under the age of nineteen whose family  
 20 income does not exceed one hundred thirty-three percent of the  
 21 federal poverty level, as defined by the most recently revised  
 22 poverty income guidelines published by the United States  
 23 department of health and human services.

24 ~~b. Additionally, effective~~ Effective July 1, 2000, and  
 25 notwithstanding any medical assistance program eligibility  
 26 criteria to the contrary, medical assistance shall be provided  
 27 to, or on behalf of, an eligible infant whose family income  
 28 does not exceed two hundred percent of the federal poverty  
 29 level, as defined by the most recently revised poverty income  
 30 guidelines published by the United States department of health  
 31 and human services.

32 c. Effective July 1, 2009, and notwithstanding any medical  
 33 assistance program eligibility criteria to the contrary,  
 34 medical assistance shall be provided to, or on behalf of, a  
 35 pregnant woman or an eligible child who is an infant and whose

1 family income is at or below three hundred percent of the  
 2 federal poverty level, as defined by the most recently revised  
 3 poverty income guidelines published by the United States  
 4 department of health and human services.

5 Sec. 16. Section 514I.8, subsection 2, paragraph c, Code  
 6 2013, is amended to read as follows:

7 c. Is a member of a family whose income does not exceed  
 8 three hundred percent of the federal poverty level, as defined  
 9 in 42 U.S.C. § 9902(2), including any revision required by  
 10 such section, and in accordance with the federal Children's  
 11 Health Insurance Program Reauthorization Act of 2009, Pub. L.  
 12 No. 111-3. The modified adjusted gross income methodology  
 13 prescribed in section 2101 of the federal Patient Protection  
 14 and Affordable Care Act, Pub. L. No. 111-148, to determine  
 15 family income under this paragraph.

16 Sec. 17. Section 514I.8, subsections 3 and 4, Code 2013, are  
 17 amended to read as follows:

18 3. In accordance with the rules adopted by the board,  
 19 a child may be determined to be presumptively eligible for  
 20 the program pending a final eligibility determination.  
 21 Following final determination of eligibility ~~by the~~  
 22 ~~administrative contractor~~, a child shall be eligible for a  
 23 twelve-month period. At the end of the twelve-month period,  
 24 ~~the administrative contractor shall conduct~~ a review of the  
 25 circumstances of the eligible child's family shall be conducted  
 26 to establish eligibility and cost sharing for the subsequent  
 27 twelve-month period.

28 4. Once an eligible child is enrolled in a plan, the  
 29 ~~eligible child shall remain enrolled in the plan unless a~~  
 30 ~~determination is made, according to criteria established by the~~  
 31 ~~board, that the eligible child should be allowed to enroll in~~  
 32 ~~another qualified child health plan or should be disenrolled.~~  
 33 An enrollee may request to change plans within ninety days of  
 34 initial enrollment for any reason and at any time for cause, as  
 35 defined in 42 C.F.R. § 438.56(d)(2). Otherwise, an enrollee

1 may change plan enrollment once a year on the enrollee's  
2 anniversary date.

3 Sec. 18. Section 514I.8, subsections 5 and 6, Code 2013, are  
4 amended by striking the subsections.

5 Sec. 19. Section 514I.9, Code 2013, is amended to read as  
6 follows:

7 **514I.9 Program benefits.**

8 ~~1. Until June 30, 1999, the benefits provided under the~~  
9 ~~program shall be those benefits established by rule of the~~  
10 ~~board and in compliance with Tit. XXI of the federal Social~~  
11 ~~Security Act.~~

12 ~~2. On or before June 30, 1999, the hawk-i board shall adopt~~  
13 ~~rules to amend the benefits package based upon review of the~~  
14 ~~results of the initial benefits package used.~~

15 ~~3. Subsequent to June 30, 1999, the~~ The hawk-i board shall  
16 review the benefits package annually and shall determine  
17 additions to or deletions from the benefits package offered.  
18 The hawk-i board shall submit the recommendations to the  
19 general assembly for any amendment to the benefits package.

20 ~~4.~~ 2. Benefits, in addition to those required by rule, may  
21 be provided to eligible children by a participating insurer if  
22 the benefits are provided at no additional cost to the state.

23 Sec. 20. REPEAL. Section 225C.48, Code 2013, is repealed.

24 Sec. 21. EFFECTIVE DATE. The following provision or  
25 provisions of this Act take effect December 31, 2013:

26 1. The section of this Act amending section 249A.3,  
27 subsection 2, paragraph "a", subparagraph (9).

28 **EXPLANATION**

29 This bill relates to child, adult, and family services under  
30 the purview of the department of human services.

31 The bill eliminates the comprehensive family support council  
32 and strikes references to the council.

33 The bill directs the department of human services (DHS) to  
34 implement policies and procedures necessary to comply with the  
35 federal Middle Class Tax Relief and Job Creation Act of 2012,

1 to prevent family investment program assistance from being used  
2 in any electronic benefit transfer transaction in a liquor  
3 store; a casino, gambling casino, or gaming establishment;  
4 or a retail establishment that provides adult-oriented  
5 entertainment. The bill also provides that an individual  
6 accessing benefits through the family investment program in a  
7 way prohibited under the policies and procedures implemented by  
8 the department commits a fraudulent practice.

9 The bill extends the repeal date of the IowaCare program from  
10 October 31, 2013, to December 31, 2013.

11 The bill amends provisions relating to the medical  
12 assistance (Medicaid) and hawk-i programs to comply with  
13 provisions of the federal Patient Protection and Affordable  
14 Care Act (ACA).

15 The bill provides, as required under the ACA, that beginning  
16 January 1, 2014, individuals who were in foster care and  
17 enrolled in the Medicaid program while they were in foster  
18 care, are eligible for Medicaid up to 26 years of age. As a  
19 conforming measure, the bill eliminates Medicaid eligibility  
20 for an individual who is under the age of 21 who aged out of the  
21 foster care system and has an income of less than 200 percent  
22 of the federal poverty level. This provision takes effect  
23 December 31, 2013.

24 The bill amends provisions relating to the hawk-i program.  
25 Because the ACA changes requirements relating to determination  
26 of eligibility and the application process, the bill eliminates  
27 various provisions relating to application development and  
28 the application process under the hawk-i program. The bill  
29 eliminates the requirement that DHS develop a joint application  
30 form for the hawk-i and Medicaid programs; eliminates the  
31 requirement that the hawk-i board and DHS develop and implement  
32 a plan to improve coordination between the hawk-i program and  
33 the Medicaid program; and eliminates the requirement that  
34 the hawk-i board and DHS adopt rules addressing the hawk-i  
35 application form and standards for program eligibility.



1     Because of changes in the application process, the bill  
2 provides that the administrative contractor shall determine  
3 eligibility as prescribed by federal law and regulation, using  
4 policies and procedures established by rule rather than based  
5 on a review of individual applications. The administrative  
6 contractor must also utilize the department's eligibility  
7 system to maintain eligibility files with pertinent eligibility  
8 determination and ongoing enrollment information. The bill  
9 also eliminates the following duties of the administrative  
10 contractor: forward names of children that may be eligible  
11 for Medicaid to DHS and retain their identifying data; monitor  
12 and assess the medical and dental care provided as well as  
13 complaints and grievances; verify and forward participating  
14 insurers' payment requests to DHS; develop and issue approval,  
15 denial, and cancellation notifications to applicants and  
16 enrollees, and process applications; and receive completed  
17 applications and verifications at a central location. The bill  
18 also eliminates the duty of the administrative contractor to  
19 conduct a review of the circumstances of the child's family  
20 to establish eligibility and cost-sharing in the subsequent  
21 eligibility period following the initial determination and  
22 period of eligibility.

23     The bill requires the use of the modified adjusted gross  
24 income methodology as required under the ACA to establish  
25 family income in determining eligibility for hawk-i.

26     The bill modifies the ability of an enrollee to request a  
27 change in health plans by providing that an enrollee of the  
28 program may request to change plans within the initial 90-day  
29 period of enrollment for any reason and at any time for cause,  
30 as identified in federal regulations, and otherwise may change  
31 once a year on the enrollee's anniversary date.

32     The bill eliminates the requirement that the hawk-i board  
33 study and make recommendations regarding the level of family  
34 income appropriate for application to the program; and the  
35 requirement that the board and the council on human services

1 cooperate to coordinate the administration of hawk-i and the  
2 medical assistance program and develop a plan for a unified  
3 medical assistance and hawk-i program system through use of a  
4 single health insurance card.

5     The bill makes other technical changes to eliminate outdated  
6 provisions under the hawk-i program.